



WRS Employer Update - December 9, 2014

Non-Recurring Lump-Sum Payments to "Red Lined" Employees Not Retirement Eligible

WRS is not able to accept retirement contributions on non-recurring payments to employees. Non-recurring payments are considered by WRS to be equivalent to bonuses paid in addition to base salary because they have the potential to "spike" retirement benefits without providing to WRS the consistent funding necessary to accumulate the assets needed to pay future benefits.

Some employers have sought to compensate employees who are "red lined" (reached the highest level of pay in their pay grade) with non-recurring lump-sum payments. In these cases, the compensation is not retirement eligible.

Caution In Using "Final Contribution" Field in Contribution Template

WRS urges our partner employers' payroll staff to use caution when terminating an employee with regard to the employee's final contribution. Incorrectly marking the "Final Contribution Paid" field for a retiring employee can cause delay in processing, and a miscalculation of a retiree's benefit payment. Please mark the "Final Contribution Paid" field only when you are certain that all retirement contributions have been made for a terminating employee.

Contact Changes

Please contact WRS' Employer Relations at 307-777-6865 with any contact changes for your organization.



Stay in touch with Wyoming Retirement System on Facebook for updates on our retirement educators' schedule, Wyoming Retirement System news, and general information about retirement-related topics.

News and Information is also available at our website: retirement.state.wy.us



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